

CITY OF MUSKEGON

CITY COMMISSION MEETING

JUNE 9, 2015

CITY COMMISSION CHAMBERS @ 5:30 P.M.

MINUTES

The Regular Commission Meeting of the City of Muskegon was held at City Hall, 933 Terrace Street, Muskegon, MI at 5:30 p.m., Tuesday, June 9, 2015.

Vice-Mayor Spataro opened the meeting with prayer, after which the Commission and public recited the Pledge of Allegiance to the Flag.

ROLL CALL FOR THE REGULAR COMMISSION MEETING:

Present: Mayor Stephen Gawron, Vice Mayor Lawrence Spataro, Commissioners Johnson, Hood, German, Rinsema-Sybenga, and Turnquist, City Manager Franklin Peterson, City Attorney John Schrier, and City Clerk Ann Meisch.

2015-41 HONORS AND AWARDS:

A. Recognition of Spring 2015 Citizen's Academy Graduates. PUBLIC SAFETY

Mayor, Stephen Gawron read the resolution and thanked the 2015 Citizen's Police Academy for their faithful attendance, completion and graduation from the ten week academy.

2015-42 CONSENT AGENDA:

A. Approval of Minutes CITY CLERK

SUMMARY OF REQUEST: To approve minutes of the May 26, 2015 City Commission Meeting.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approval of the minutes.

B. Fireworks Display Permit for Muskegon Country Club CITY CLERK

SUMMARY OF REQUEST: Melrose Pyrotechnics, Inc. is requesting approval of a fireworks display permit for July 3, 2015, at the Muskegon Country Club, 2801 Lakeshore Drive. Fire Marshall Metcalf will inspect the fireworks on the day of the event.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approval contingent on inspection of the fireworks and approval of insurance.

C. 2015-2016 Michigan Municipal League Membership Dues CITY CLERK

SUMMARY OF REQUEST: Approval to pay the 2015-2016 MML dues in the amount of \$9,647. This is an increase of \$152.

FINANCIAL IMPACT:	MML DUES	\$8,870
	Legal Defense Fund	\$ 877
	Total	\$9,647

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approval

D. CDBG Program Administration Agreement – City of Muskegon/City of Norton Shores PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: The City of Muskegon has contracted with the City of Norton Shores to administer their Community Development Block Grant (CDBG) program since 2006. The current Agreement concludes on June 30, 2015. The new Agreement includes some minor changes (such as ensuring reporting is consistent with Federal requirements, liens are recorded, administration payment be not less than \$22,000 and written procedures be established for receiving bids for home repairs) and extends the Agreement for two years (through June 30, 2017).

FINANCIAL IMPACT: The City of Norton Shores will pay the maximum allowable CDBG costs per program year to the City of Muskegon (minimum amount of \$22,000), minus \$1,000 to administer their CDBG program.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To approve the Agreement and authorize the Mayor and City Clerk to sign.

E. Extension of Vinyl Siding Supplier Contract for Fiscal Year 2015–2016 COMMUNITY AND NEIGHBORHOOD SERVICES DEPARTMENT

SUMMARY OF REQUEST: To approve the extension of the contract with Keene Lumber Company to be the Vinyl Siding Supplier for 2015-2016 fiscal year. Keene Lumber has agreed to honor the existing contract price of \$46.95 per building square for both white and color siding.

FINANCIAL IMPACT: Funding will be disbursed from the 2015-2016 Community Development Block Grant Vinyl Siding fund.

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: To approve request.

COMMITTEE RECOMMENDATION: The funding for the Vinyl Siding Program was approved by the Citizen's District Council during the 2015-2016 allocation period.

F. Extension of Vinyl Siding Installer Contracts for Fiscal Year 2015-2016

COMMUNITY AND NEIGHBORHOOD SERVICES DEPARTMENT

SUMMARY OF REQUEST: To authorize Community and Neighborhood Services to extend the contracts through June 30, 2016 to Mark Tucker Construction, 1620 Fruitvale Road, Holton, MI, and Cutting Edge, 766 Chatterson Road, Muskegon, MI to install vinyl siding at an agreed price of \$50.00 per building square for the Vinyl Siding Program's 2015-2016 fiscal year.

FINANCIAL IMPACT: Funding will be disbursed from the 2015 - 2016 Community Development Block Grant Vinyl Siding fund up to June 30, 2016.

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: To approve the request.

COMMITTEE RECOMMENDATION: The funding for the Vinyl Siding Program was approved by the Citizens District Council and City Commission during the 2015 – 2016 allocation period.

G. Scale for DPW Loader DPW/Equipment

SUMMARY OF REQUEST: Authorize staff to purchase one portable scale from Michigan CAT, the sole source provider to match our Loader.

FINANCIAL IMPACT: \$11,648.00

BUDGET ACTION REQUIRED: None. Amount is what was budgeted.

STAFF RECOMMENDATION: Authorize staff to purchase one portable scale from Michigan CAT, the sole source provider to match our loader.

H. City-MDOT Agreement; Latimer Dr. Resurfacing; Port City to Black Creek ENGINEERING

SUMMARY OF REQUEST: Approve the contract with MDOT for the resurfacing of Latimer between Port City & Black Creek and approve the resolution authorizing the Mayor and City Clerk to sign the contract.

FINANCIAL IMPACT: MDOT's participation is limited to the approved federal funds of \$240,000. The estimated total construction cost is \$297,500 plus engineering cost.

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: Approve the contract and resolution authorizing the mayor and clerk to sign both.

I. Resolution in Support of Floodplain Management PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Request for approval of resolution in support of

floodplain development reporting to the Federal Emergency Management Agency (FEMA) to be included in the National Flood Insurance Program (NFIP) for the purpose of significantly reducing flood hazards to persons, reducing property damage, and reducing public expenditures, and providing for the availability of flood insurance and federal funds or loans within the city.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To approve the floodplain development resolution.

J. Amendment to the City Code of Ordinance – Floodplain Management
PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Staff initiated request to amend the City Code of Ordinances to include a floodplain management ordinance, which is a new requirement by the Federal Emergency Management Agency (FEMA) as part of adoption of the new Flood Insurance Rate Maps that will be effective July 6, 2015. The Planning Department will serve as the designated enforcement agency.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To approve the floodplain management ordinance.

K. Community Relations Committee Recommendation CITY CLERK

SUMMARY OF REQUEST: To concur with recommendations from the Community Relations Committee:

Accept the resignation of Steve Wisneski from the Planning Commission and Jessica Cook from the Downtown Development Authority.

Appoint Doris Rucks to the District Library Board; Ronald Pesch to the Downtown Development Authority; and Jill Montgomery-Keast to the Planning Commission.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To concur with recommendations

Motion by Commissioner Johnson, second by Commissioner German to approve the Consent Agenda as read.

ROLL VOTE: Ayes: Gawron, Hood, Spataro, German, Rinsema-Sybenga, Turnquist, Johnson

Nays: None

MOTION PASSES

2015-43 PUBLIC HEARINGS:

A. Transmittal of 2015-2016 Proposed Budget CITY MANAGER

SUMMARY OF REQUEST: At this time staff is transmitting to the City Commission the proposed budget for fiscal year 2015-16 which starts July 1, 2015. Both hardcopy and electronic versions of the budget have been distributed to Commissioners. Additionally, the budget is available for public inspections on the City's website and at the City Clerk's office or Hackley Public Library.

The proposed budget was reviewed in detail with staff at the June 8th work session. City ordinance requires that the budget be adopted by the Commission on or before the second Commission meeting in June.

FINANCIAL IMPACT: The budget is the City's financial plan for the coming fiscal year.

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: Approval of the proposed budget for fiscal year 2015-2016.

Motion by Vice-Mayor Spataro, second by Commissioner Johnson to close the public hearing and approve the proposed budget.

ROLL VOTE: Ayes: Hood, Spataro, German, Rinsema-Sybenga, Turnquist, Johnson, and Gawron

Nays: None

MOTION PASSES

2015-44 NEW BUSINESS:

B. Resolution to Place a Question on the November Ballot CITY MANAGER

SUMMARY OF REQUEST: Resolution of the City Commission to propose for adoption by the voters of the City of Muskegon an Amendment to the City Charter concerning an additional millage exclusively for street improvements and street maintenance.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To adopt the resolution to propose an amendment to the City Charter concerning an additional millage exclusively for street improvements and street maintenance.

Motion by Commissioner Johnson, second by Commissioner Rinsema-Sybenga to adopt the resolution to propose an amendment to the City Charter concerning an additional millage exclusively for street improvements and street maintenance.

ROLL VOTE: Ayes: Spataro, German, Rinsema-Sybenga, Turnquist, Johnson, Gawron, and Hood

Nays: None

MOTION PASSES

B-1. Sewer Rate Adjustment FINANCE DIRECTOR

SUMMARY OF REQUEST: The city last adjusted sewer rates on January 1, 2010 (a 25%) increase). Since then, Sappi Paper closed its mill facility, which was the largest user of the county wastewater system. The County Wastewater Treatment Facility has had a difficult time adjusting to the loss of revenues from the closure of the Sappi Paper Mill. Consequently, the county has implemented a number of rate adjustments/increases over the past several years. Since 2010, the city has been absorbing those increases internally, which has reduced our cash reserves. Accordingly, we are asking the City Commission to approve a treatment rate for our customers that is based on a multiplier of the rate the county bills the city for wastewater treatment.

FINANCIAL IMPACT: It is anticipated that the proposed sewer rate adjustment will generate approximately \$790,000 in additional annual revenue for the city's sewer fund in the first year. The financial impact for a typical city residential user (7,500 gal/month) will be \$36.00 annually (\$3.00 monthly) for the first year.

BUDGET ACTION REQUIRED: None at this time. If the rate change is approved, it will be incorporated into future budget reforecasts together with the higher anticipated county treatment costs.

STAFF RECOMMENDATION: Adoption of the attached fee adjustment resolution.

Motion by Commissioner Rinsema-Sybenga, second by Hood to adopt the fee adjustment resolution.

ROLL VOTE: Ayes: Turnquist, Johnson, Gawron, Hood, Spataro, German, Rinsema-Sybenga

Nays: None

MOTION PASSES

ADJOURNMENT: The City Commission Meeting adjourned at 6:23 p.m.

Respectfully submitted,

Ann Marie Meisch, MMC
City Clerk